

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 421 - HB 896

February 5, 2023

SUMMARY OF BILL: Increases, from six years to eight years, the minimum period of time from the last adoption that the State Board of Education (SBE) must ensure that the standards review and development committees and advisory teams review the standards for English language arts, mathematics, science, and social studies. Extends, from 73 months to 97 months, the maximum length of time that the State Textbook and Instructional Materials Quality Commission may contract with a publisher.

FISCAL IMPACT:

Decrease State Expenditures - \$101,700/FY23-24 and Subsequent Years

Decrease Local Expenditures - \$16,250,000/FY23-34 and Subsequent Years

Assumptions:

- Due to the additional time between standards revision cycles, the Department of Education (DOE) will provide support to SBE for standards revision less frequently; however, DOE's staff utilized for such support are not solely dedicated to those responsibilities. Based on information provided by DOE, it is estimated that the proposed legislation will not result in any decreases in staffing levels.
- DOE's support for the Advisory Panelist Review for the Textbook and Instructional Materials Quality Commission (Commission) costs \$1,800,000 to review all four subject areas.
- DOE's average cost per year for the current six-year standards review cycle to support the Commission is \$300,000 ($\$1,800,000 / 6$).
- DOE's average cost per year for an eight-year standards review cycle to support the Commission will be \$225,000 ($\$1,800,000 / 8$). The recurring decrease in state expenditures is estimated to be \$75,000 ($\$300,000 - \$225,000$).
- Extending the standards review cycle will provide SBE more time from the last adoption to ensure that the following standards review is completed.
- SBE will be able to amend its policies and comply with the proposed legislation within existing resources.
- The SBE currently receives recurring state funds of \$106,700 for the standards review process, or a total of \$640,200 ($\$106,700 \times 6$ years) over a six-year timeframe. Changing to an eight-year cycle will reduce the average annual expenditures to approximately

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\$80,025 ($\$640,200 / 8$) for a recurring decrease in state expenditures of \$26,675 ($\$106,700 - \$80,025$).

- The total recurring decrease in state expenditures is estimated to be \$101,675 ($\$75,000 + \$26,675$) in FY23-24 and subsequent years.
- Local education agencies adopt and purchase textbooks for students in each of their schools.
- There is an average of 75,000 students for each grade level kindergarten through twelve (K-12) and the average cost for one textbook is \$100.
- The cost for one textbook adoption for districts is approximately \$97,500,000 ($75,000 \times \100×13 grade levels).
- The extended standards review cycle will allow local funds needed to purchase materials for the four major subject areas to be spread out over eight years as opposed to six years.
- The average cost for local textbook purchases per year for the current six-year standards review cycle is \$65,000,000 [$(\$97,500,000 \times 4 \text{ subjects}) / 6$].
- The average cost for local textbook purchases per year for an eight-year standards review cycle is \$48,750,000 [$(\$97,500,000 \times 4 \text{ subjects}) / 8$].
- The total decrease in local expenditures is estimated to be \$16,250,000 ($\$65,000,000 - \$48,750,000$) in FY23-24 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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